



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS	REDEVELOPMENT AGENCY
Dennis Kennedy, Mayor	Dennis Kennedy, Chair
Mark Grzan, Mayor Pro Tempore	Mark Grzan, Vice-Chair
Larry Carr, Council Member	Larry Carr, Agency Member
Greg Sellers, Council Member	Greg Sellers, Agency Member
Steve Tate, Council Member	Steve Tate, Agency Member

WEDNESDAY, MARCH 1, 2006

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL AND REGULAR MEETING

and

REDEVELOPMENT AGENCY SPECIAL MEETING

6:00 P.M.

A Special Meeting of the City Council and Redevelopment Agency is Called at 6:00 P.M. for the Purpose of Conducting Closed Sessions; and a Special Redevelopment Agency Meeting is called at 7:00 P.M. for Conducting Redevelopment Agency Business.

Dennis Kennedy, Mayor/Chairman

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

6:00 P.M.

City Council Action and Redevelopment Agency Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

Authority: Pursuant to Government Code 54956.9(a)
Case Name: In Re Gregory T. Hemming and Kimberley L. Hemming
Case Number: United States Bankruptcy Court, Eastern District of California,
Case No. 2004-20318-A-7

2.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code Section 54956.9(a)
Case Name: Berkman v. City of Morgan Hill et al.
Case Number: Santa Clara County Superior Court, 1-04-CV-031021

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

CITY COUNCIL REPORT

Council Member Sellers

CITY COUNCIL SUB-COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY COUNCIL/REDEVELOPMENT AGENCY.

City Council Action

CONSENT CALENDAR:

ITEMS 1-14

The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate

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Consent Calendar: 1 - 10 Minutes

1. **POLICY RECOMMENDATION REGARDING THE EARLY START OF CONSTRUCTION FOR PROJECTS AWARDED A BUILDING ALLOTMENT** 1
Recommended Action(s): **Adopt** Council Policy to Allow Earlier Construction Starts for Residential Projects Awarded an RDCS Building Allotment.
2. **REPORT ON POSSIBLE BALLOT MEASURE TO AMEND MEASURE C FOR DOWNTOWN RESIDENTIAL AND MIXED USE PROJECTS**..... 5
Recommended Action(s):
 1. **Receive** Information;
 2. **Direct** the Community and Economic Development Council Subcommittee to Continue Discussing the Possibility of a Measure for the November 2006 or Later Ballot; and
 3. **Report** Back to the City Council with a Status Report by July 2006.
3. **ACCEPT DEPOT STREET SEWER REPLACEMENT PROJECT** 11
Recommended Action(s):
 1. **Accept** as Complete the Depot Street Sewer Replacement Project in the Final Amount of \$357,310; and
 2. **Direct** the City Clerk to File the Notice of Completion with the County Recorder's Office.
4. **APPROVE DISADVANTAGED BUSINESS ENTERPRISE (DBE) ANNUAL GOAL**..... 15
Recommended Action(s): **Approve** the City's Disadvantaged Business Enterprise Annual Overall DBE Goal of 3.8% for the Federal Fiscal Year 2005/2006, Beginning on October 1, 2005 and Ending on September 30, 2006.
5. **FINAL MAP APPROVAL FOR MISSION RANCH PHASE 9A (TRACT 9777)**..... 21
Recommended Action(s): **Authorize** the Recordation of the Final Map.
6. **APPROVAL OF \$264,270 FOR INTERIOR FURNITURE FOR THE INDOOR RECREATION CENTER (IRC)** 25
Recommended Action(s): **Authorize** the City Manager to Execute a Contract with Axiom II Business Interiors to Provide and Install the Selected Interior Furniture for the Indoor Recreation Center in an Amount not to exceed \$259,270 with a Contingency of \$5,000; Subject to Review and Approval by the City Attorney.

Time Estimate

Consent Calendar: 1 - 10 Minutes

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7. **PURCHASE OF POLICE DEPARTMENT MSO/PRISONER TRANSPORT VEHICLE**..... 27
Recommended Action(s): **Authorize** Vehicle Purchase and Police Equipment Build-Out Through The Ford Store Morgan Hill for the Identified Vehicle for a Total Cost of \$40,030.02.
8. **ADOPT ORDINANCE NO. 1757, NEW SERIES**.....29
Recommended Action(s): **Waive** the Reading, and **Adopt** Ordinance No. 1757, New Series, and **Declare** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO DEVELOPMENT AGREEMENT, DA 03-11 TO INCORPORATE CHANGES IN THE SCHEDULE AND PROCESS TO CONSTRUCT THE 3RD BELOW MARKET RATE (BMR) UNIT FOR APPLICATION MP 02-07: CORY-SAN PEDRO PARTNERS. (APN 817-11-061)**
9. **ADOPT ORDINANCE NO. 1758, NEW SERIES**.....35
Recommended Action(s): **Waive** the Reading, and **Adopt** Ordinance No. 1758, New Series, and **Declare** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING A PRECISE DEVELOPMENT PLAN TO ALLOW FOR THE SHARED USE OF A 32 SQUARE FOOT MONUMENT SIGN TO BE LOCATED ON THE SOUTHEAST CORNER OF THE INTERSECTION OF EAST DUNNE AVENUE AND SAN BENANCIO WAY. (APN 817-11-013)**
10. **ADOPT ORDINANCE NO. 1759, NEW SERIES**.....41
Recommended Action(s): **Waive** the Reading, and **Adopt** Ordinance No. 1759, New Series, and **Declare** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A ZONING AMENDMENT TO ESTABLISH AN R-2 3,500/RESIDENTIAL PLANNED DEVELOPMENT ON A .298 ACRE SITE LOCATED ON THE SOUTH SIDE OF SAN PEDRO AVENUE AT THE EASTERLY CORNER OF CORY LANE. (APN 817-59-052)**
11. **ADOPT ORDINANCE NO. 1760, NEW SERIES**.....47
Recommended Action(s): **Waive** the Reading, and **Adopt** Ordinance No. 1760, New Series, and **Declare** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING DEVELOPMENT AGREEMENT, DA-05-12 SAN PEDRO-AHMADI FOR APPLICATION MMC-04-06: SAN PEDRO-AHMADI. (APN 817-59-052)**
12. **ADOPT ORDINANCE NO. 1761, NEW SERIES**.....51
Recommended Action(s): **Waive** the Reading, and **Adopt** Ordinance No. 1761, New Series, and **Declare** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING CHAPTER 3.56 [DEVELOPMENT IMPACT MITIGATION FEES] OF TITLE 3 [REVENUE AND FINANCE] BY ADDING SECTION 3.56.065 [EXEMPTION FROM FEE INCREASE] AND SECTION 3.56.095 [DEFERRAL OF PAYMENT OF SEWER AND TRAFFIC IMPACT FEES]; AMENDING CHAPTER 12.02 [STREET AND SIDEWALK DEVELOPMENT] OF TITLE 12 [STREETS, SIDEWALKS, AND PUBLIC PLACES] BY ADDING SECTION 12.02.115 [DEFERRAL OF UNDERGROUND UTILITY IN LIEU FEE]; AND REPEALING CHAPTER 3.44 [DEVELOPMENT IMPACT FEES] OF TITLE 3 [REVENUE AND FINANCE].**

Time Estimate **Page**
Consent Calendar: 1 - 10 Minutes

13. **ADOPT ORDINANCE NO. 1762, NEW SERIES**57
Recommended Action(s): Waive the Reading, and Adopt Ordinance No. 1762, New Series, and Declare That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING SECTION 2.04.010 OF THE MUNICIPAL CODE, REGARDING THE TIME AND LOCATION OF THE COUNCIL MEETINGS.**
14. **APPROVE JOINT CITY COUNCIL SPECIAL & REGULAR AND REDEVELOPMENT AGENCY SPECIAL MEETING MINUTES FOR FEBRUARY 15, 2006** 61

Redevelopment Agency Action

CONSENT CALENDAR:

ITEM 15

Time Estimate **Page**
Consent Calendar: 1 - 10 Minutes

15. **APPROVAL OF \$39,080 FOR INTERIOR DESIGN SERVICES TO SELECT INTERIOR FIXTURES AND FURNITURE FOR THE NEW LIBRARY** 93
Recommended Action(s): Authorize the Executive Director to Execute a Consultant Agreement with RMW Architecture & Interiors to Provide Interior Design Services Necessary to Select the Public and Staff Furniture and Fabrics for the New Morgan Hill Library in an Amount Not to Exceed \$39,080; Subject to Review and Approval by Agency Counsel.

City Council Action (Continued)

CONSENT CALENDAR:

ITEM 16

Time Estimate **Page**
Consent Calendar: 1 - 10 Minutes

16. **ACCEPT 2005-2006 SIDEWALK, CURB AND GUTTER REMOVAL AND REPLACEMENT PROJECT** 101
Recommended Action(s):
1. Accept as Complete the 2005-2006 Sidewalk, Curb and Gutter Removal and Replacement Project in the Final Amount of \$60,446; and
 2. Direct the City Clerk to File the Notice of Completion with the County Recorder's Office.

City Council Action

PUBLIC HEARINGS:

	Time Estimate		Page
17.	5 Minutes	<u>ZONING ADMENDMENT, ZA-05-28: OAKHILL-SPERA</u>	105
		Public Hearing Opened.	
		Please Limit Your Remarks to 3 Minutes. Public Hearing Closed	
		Council Discussion.	
		Action- <u>Motion to Waive</u> the Reading in Full of Ordinance Amending Municipal	
		Code Section 18.56.150.	
		Action- <u>Motion to Introduce</u> Ordinance by Title Only. (Roll Call Vote)	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
18.	20 Minutes	<u>GRANT "THIRD YEAR" RESIDENTIAL BUILDING ALLOTMENTS AND DISCUSS STATUS OF A FALL 2006 RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDCS) COMPETITION</u>	117
		<u>Recommended Action(s):</u>	
		1. <u>Adopt</u> Resolution Approving Third Year Residential Building Allotments into Fiscal Year 2009-2010; and	
		2. <u>Determine</u> that there will be No Fall 2006 RDCS Competition, and that Awards of 2009-2010 Allotments to On-Going Open/Market Projects will be Considered by the Council in June 2006.	
19.	20 Minutes	<u>DEVELOP CITY COUNCIL POSITION REGARDING PROPOSED VALLEY TRANSPORTATION AUTHORITY (VTA) QUARTER-CENT SALES TAX TO SUPPORT LONG-TERM TRANSIT CIP EXPENDITURE PLAN</u> (Continued from 2/22/06).....	123
		<u>Recommended Action(s):</u>	
		1. By Motion, <u>Determine</u> Whether the City's Position will be to Support or Not to Support the Proposed Quarter-Cent Sales Tax Measure; and	
		2. <u>Discuss</u> Recommended VTA Quarter-Cent Sales Tax Scenario Expenditure Plan, and <u>Provide Direction</u> to the City's VTA Board Representative Regarding the Scheduled March 2, 2006 VTA Board of Directors Vote on the Proposed Plan.	
20.	15 Minutes	<u>BALLOT MEASURE FOR A JUNE 6, 2006 SPECIAL ELECTION</u>	125
		<u>Recommended Action(s):</u>	
		1. <u>Review</u> the Issues Regarding the Potential Removal of the Restriction of Grocery Supermarkets at Cochrane Plaza in Morgan Hill; and	
		2. <u>Direct</u> Staff Regarding Calling for a Special Election.	

Should the Council Support Calling for a June 6, 2006 Special Election, then:

3. **Approve** Negative Declaration;
4. **Adopt** Resolution Calling for a June 6, 2006 Special Election;
5. **Adopt** Resolution Requesting Consolidation of the June 6, 2006 Special Election;
6. **Adopt** Resolution Regarding Written Arguments; and
7. **Adopt** Resolution Regarding Rebuttals.

OTHER BUSINESS:

	Time Estimate		Page
21.	3 Minutes	<u>MARCH 15, 2006 CITY COUNCIL MEETING</u>	141
		<u>Recommended Action(s): Provide Direction</u> Regarding March 15, 2006 City Council Meeting.	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

PUBLIC COMMENTS ON ITEMS NOT APPEARING ON AGENDA

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairman, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Agency Commission are limited to three minutes. We appreciate your cooperation.

NOTICE

AMERICANS WITH DISABILITIES ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City. If you need special assistance to access the meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation. Please make your request at least 48 hours prior to the meeting to enable staff to implement reasonable arrangements to assure accessibility to the meeting.

If assistance is needed regarding any item appearing on the City Council/Agency Commission agenda, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

NOTICE

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Agency Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action by the City Council/Agency Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.